GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA

UNSTARRED QUESTION NO:2115
ANSWERED ON:01.12.2000
DTH TELECAST
BHIM PRASAD DAHAL;INDRAJIT GUPTA;JASWANT SINGH YADAV;M.A. KHARABELA SWAIN;P.D. ELANGOVAN;PAWAN KUMAR BANSAL;RAM SHAKAL;THAAWAR CHAND GEHLOT;V. SAROJA

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether the Government have cleared the proposal for Direct to Home (DTH) telecast;

(b) if so, date by which it is likely to be introduced;

(c) the salient features of this telecast;

(d) the steps taken by the Government to check the vulgarity in the programme as a result thereof;

(e) the protective measures envisaged for cable operators; and

(f) how far the viewers as well as the Government will be benefited by D.T.H?

Answer

THE MINISTER OF INFORMATION AND BROADCASTING

(SMT. SUSHMA SWARAJ)
(a): Yes, Sir.

(b): After Government guidelines for seeking DTH licence are issued, the desirouscompanies will be able to submit application for seeking DTH licence. Company would need about one year to begin DTH services after it obtains licence.
(c): The salient features are annexed.
(d): Various safeguards have been proposed to address the concerns relating to vulgarity. These include mandating establishment of earth station within the country, requirement of licensee to maintain a record of the material uplinked for a reasonable period and adherence to the programme and advertisement codes laid down by this Ministry.

(e): Cable Operators are already well established in India.Therefore, protective measures for cable operators are neither necessary nor envisaged.
(f): The DTH system would facilitate access to larger number of television channels,with good signal quality to the homes of Indian consumers. It will provide subscribers a wide choice of selection in TV programmes as well as access to IT services through theDTH platform. Ku-band transmission will also improve quality of TV broadcasting in the country.
ANNEXURE REFERRED TO IN REPLY TO PART (c) OF LOK SABHA UNSTARRED QUESTION NO.2115 FOR ANSWER O 1.12.2000

SALIENT FEATURES FOR ESTABLISHMENT, MAINTENANCE AND OPERATION OF DIRECT-TO-HOME (DTH BROADCASTING SERVICE.

(i) The applicant company shall be an Indian company, registered under the Indian Companies Act, 1956.

(ii) The total Foreign Investment, including FDI/NRI/OCB/FII in the DTH Broadcasting sector, shall not be more than 49%, in which the share of FDI will not exceed 20%.

Provided that the quantum represented by that proportion of the paid up equity share capital to the total issued equity capital of the Indian promoter Company held or controlled by foreign investors through FDI/NRI/OCB investments shall form part of the above said FDI limit of 20%.

No Broadcasting Company and/ or Cable Network Company shall be eligible to own more than 20% of the total equity of an applicant Company at any time during the License period.

Provided further that the Licensee, at all times, shall keep the Licensor informed of any change in the holding pattern of the Equity.

(iii) The applicant company must have Indian management control with majority representatives on the Board, as well as the CEO of the Company being a resident Indian citizen.

(iv) There will be no restriction on the number of licensees and the license will be issued by the Government for a period of 10 years, on non-exclusive basis.

(v) The applicant company shall be required to pay an entry fee of Rs.10 crores, in the beginning. In addition, 10% per year of the revenue collected by the platform owner from channels shall be payable to Government as annual fee. The licensee would also be required to execute a Bank guarantee of Rs.40 crores valid for the duration of the licence. Licensee will additionally be required to pay the license fee and royalty for spectrum used, as prescribed by the Wireless Planning Coordination authority (WPC), under the department of Telecommunications.

Note: Approvals for foreign equity shall be routed through the FIPB route.

(vi) The Licensing Authority shall have the power, after recording the reasons in writing, to revoke/suspend the license in public interest. However, before taking such action the licensing authority will give the licensee an opportunity of being heard. The decision of the licensing authority shall be final.

(vii) For violation of license conditions, in addition to any other action which may include revocation of license, a penalty upto Rs.50 crores can be imposed by the Licenser on the Licensee. However, before taking such action the licensing authority will give the licensee an opportunity of being heard. The decision of the licensing authority shall be final.

(viii) The licensee shall establish the uplink Earth Station in India within 12 months from the date of issue of license. All Content provided by the DTH platform to the subscribers, irrespective of its source, to pass through the common encryption and conditional access system, located within the Earth Station, situated on Indian soil.

(ix) The licensee shall ensure adherence to the Programme Code (PC) and Advertisement Code (AC), laid down by the Ministry of Information and Broadcasting, from time to time. Record of the programmes and advertisements carried on the platform to be kept by the Licensee for a period of 90 days after broadcast and to be made available to the authorised representative of the Licenser, as and when required.

(x) The licensee shall provide access to various content providers/ channels on a non-discriminatory basis. The licensee shall not carry any channels prohibited by the Ministry of I&B.

(xi) Licensee shall provide access to the Licensing Authority or its duly authorised representative. to all its facilities including equipments, records, systems, etc.

(xii) Though licensee can use the bandwidth capacity for DTH service on both Indian as well as foreign satellites, proposals envisaging use of Indian satellites will be extended preferential treatment.

(xiii) The licensee shall ensure subscriber`s interests through Single Conditional Access Technology, Single Subscriber Management System (SMS), an Open Architecture

(Non-proprietary) Set Top Box, a Cast Iron Encryption System and an efficient, responsive and accurate billing and collection system. The Licenser shall not use any equipment, which is identified as unlawful.

(xiv) The Licenser reserves the right to prohibit the transmission or reception of programmes in the interest of national security or in the event of emergency/war or similar type of situation. Notwithstanding any agreement between the licensee and the content providers, the licensee shall stop forthwith, transmission of TV channels or any content, as and when directed to do so by the Licenser or any other designated lawful authority.

(xv) The DTH facility shall not be used for other modes of communication, including voice, fax, data, communication Internet, etc. unless specific license for these value-added services has been obtained from the competent authority.

(xvi) The licensee shall obtain clearances/approvals, as may be prescribed or required, from the Wireless Planning Coordination Wing or from the Department of Space.

(xvii) The DTH Licensee will be bound to carry channels of Prasar Bharati on the most favourable financial terms offered to any other channel.

(xviii) The Licenser reserves the right to modify or incorporate new conditions at any time in the terms and conditions of this license, as and when necessary in public interest or interest of national security.

(xix) The licensees will adhere to provisions of any legislation which may be brought in future with regard to broadcasting.